

MBTA/MBB
MBTA ICC Filing Letter

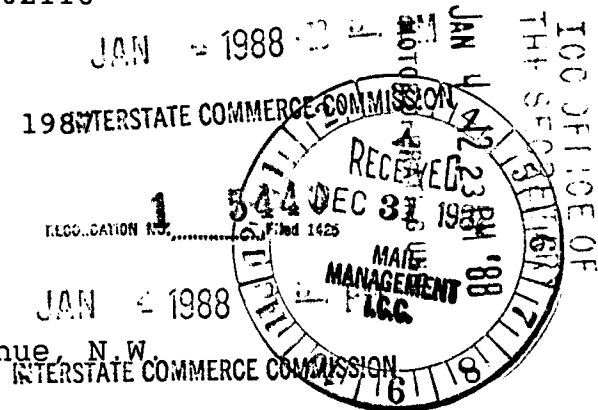
MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
Ten Park Plaza
Boston, MA 02116

8-004A052
No. JAN-4 1988
Date
Dec 8 20.00

ICC Washington, D.C.

Ms. Noretta R. McGee, Secretary
Interstate Commerce Commission
Twelfth Street and Constitution Avenue, N.W.
Washington, D.C. 20423

December 31, 1987



Dear Secretary:

I have enclosed an original and one counterpart of the documents described below to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

The documents (the "Documents") are:

- (a) Lease Agreement, dated as of December 30, 1987, a Primary document; and
- (b) Lease Supplement No. 1, dated as of December 31, 1987, a Secondary document.

The Primary document to which this filing is related is the Lease Agreement referred to above, for which no recordation number has yet been issued.

The names and addresses of the parties to the Documents are as follows:

Lessee:

Massachusetts Bay Transportation Authority
Ten Park Plaza
Boston, MA 02116
Attention: Treasurer-Controller

Lessor:

Security Pacific Equipment Leasing, Inc.
Four Embarcadero Center
Suite 1200
San Francisco, CA 94111
Attention: Manager, Operations Department-LEV

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A description of the equipment covered by the Documents follows:

34 commuter rail coaches manufactured by Messerschmitt-Bolkow-Blohm GmbH (the "Manufacturer") pursuant to the Purchase Agreement, dated August 7, 1985, as amended, between the Manufacturer and Massachusetts Bay Transportation Authority ("MBTA") and identified by MBTA vehicle identification numbers 500 through 516, inclusive, and 1500 through 1516, inclusive.

A fee of \$20.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to Goodwin, Procter & Hoar, Exchange Place, Boston, MA 02109, Attention: F. Beirne Lovely, Jr., Esq.

A short summary of the Documents to appear in the index follows:

- (a) Primary Document. Lease Agreement between Security Pacific Equipment Leasing, Inc., Four Embarcadero Center, Suite 1200, San Francisco, CA 94111, as lessor, and Massachusetts Bay Transportation Authority, Ten Park Plaza, Boston, MA 02216, as lessee, dated as of December 30, 1987, covering up to 34 commuter rail coaches manufactured by Messerschmitt-Bolkow-Blohm GmbH; and
- (b) Secondary Document. Lease Supplement No. 1, between Security Pacific Equipment Leasing, Inc., Four Embarcadero Center, Suite 1200, San Francisco, CA 94111, as lessor, and Massachusetts Bay Transportation Authority, Ten Park Plaza, Boston, MA 02116, as lessee, dated as of December 31, 1987, covering 34 such commuter rail coaches constituting the equipment covered by the Primary Document described above.

This filing is being made for precautionary purposes only and to make the transaction a matter of public record. This filing should not be construed as evidence of the intent of any of the parties to enter into any transaction other than that of a true lease.

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A short summary of the transaction of which the Documents are a part follows:

The Documents have been entered into in connection with the leveraged lease financing of certain commuter rail coaches as contemplated by the Participation Agreement, dated as of December 30, 1987, among Massachusetts Bay Transportation Authority (the "Lessee"), Security Pacific Equipment Leasing, Inc., as owner (the "Lessor"), New England Merchants Funding Corporation, as original noteholder (the "Original Noteholder") and Wilmington Trust Company, as Indenture Trustee (the "Indenture Trustee"). Under such transaction, the Lessor will lease up to 34 such commuter rail coaches to the Lessee pursuant to the Lease, and the Lessor will borrow certain moneys from the Original Noteholder. Such borrowings will be evidenced by Notes issued and secured pursuant to the Trust Indenture and Security Agreement, dated as of December 30, 1987, between the Lessor and the Indenture Trustee. The initial holders of the Notes is the Original Noteholder.

The names and addresses of the other parties to such transaction are:

Original Noteholder:

New England Merchants Funding Corporation
28 State Street
Boston, MA 02109
Atten: Halsey B. Collins, Esq.

Indenture Trustee:

Wilmington Trust Company
Rodney Square North
Wilmington, DE 19890
Attention: Corporate Trust Administration

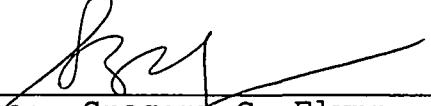
Please acknowledge receipt of this letter of transmittal and its enclosures by appropriately stamping the enclosed copy

Ms. Noreta R. McGee, Secretary
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of this letter and by returning it to Mr. Lovely in the
addressed envelope enclosed for your convenience.

Very truly yours,

Massachusetts Bay
Transportation Authority

By 
Name: Gregory C. Flynn
Title: Deputy General
Counsel

Enclosures: Lease (with Exhibits and Schedule) - Original and
Notarized Copy
Lease Supplement (with Annex 1) - Original
and Notarized Copy
Transmittal Letter (Copy)
Check (\$20.00)
Return Envelope (Postage Prepaid)

VS-1202/d
12/30/87

RECORDATION

JAN 4 1988

LEASE SUPPLEMENT NO. 1

INTERSTATE COMMERCE COMMISSION



This Lease Supplement No. 1 is dated December 31, 1987, and is between Security Pacific Equipment Leasing, Inc., a Delaware corporation (the "Lessor"), and Massachusetts Bay Transportation Authority, a body politic and corporate and a political subdivision of The Commonwealth of Massachusetts (the "Lessee").

The Lessor and the Lessee have heretofore entered into the Lease Agreement, dated as of December 30, 1987 (the "Lease Agreement" and defined terms therein being hereinafter used with the same meanings).

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, the Lessor and the Lessee hereto agree as follows:

1. The Lessor hereby delivers and leases to the Lessee under the Lease Agreement, and the Lessee hereby accepts and leases from the Lessor under the Lease Agreement, the items of Equipment described in the attached Annex 1.

2. The Lessee hereby confirms its agreement to pay the Lessor Interim Rent for such items of Equipment for the Interim Term and Basic Rent for such items of Equipment throughout the Basic Term in accordance with Article 8 of the Lease Agreement. Lessor's Purchase Price for such items of Equipment is \$31,297,000.

3. All of the terms and provisions of the Lease Agreement are hereby incorporated by reference in this Lease Supplement to the same extent as if fully set forth herein.

4. The Delivery Date of such items of Equipment is the date of this Lease Supplement.

5. The Interim Term for such items of Equipment shall commence on the Delivery Date thereof and shall terminate on January 29, 1988 and the Basic Term for such items of Equipment shall commence on January 30, 1988 and shall terminate on January 29, 2013.

6. This Lease Supplement is being delivered in The Commonwealth of Massachusetts and shall be governed by, and construed in accordance with, the laws of The Commonwealth of Massachusetts, including, without limitation, all matters of construction, validity and performance.

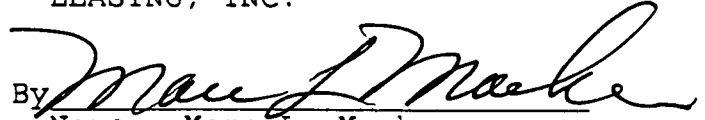
7. The Lessee hereby confirms to the Lessor that such items of Equipment have been duly marked in accordance with the terms of Section 4.1 of the Lease Agreement and that the Lessee has accepted such items of Equipment for all purposes hereof and of the Lease Agreement as being in accordance with specifications, in good working order and repair and without defect or inherent vice in title, condition, design, operation or fitness for use, whether or not discoverable by the Lessee as of the date hereof, and free and clear of all liens or encumbrances and claims of others except such liens and encumbrances which may result from claims against the Lessor not related to the ownership of such items of Equipment and except the first mortgage lien and security interest on such items of Equipment in favor of the Indenture Trustee created pursuant to the Indenture; provided, however, that nothing contained herein or in the Lease Agreement shall in any way diminish or otherwise affect any right the Lessee or the Lessor may have with respect to such items of Equipment against the Manufacturer or any subcontractor of the Manufacturer under the Purchase Agreement or the Purchase Agreement Assignment or otherwise.

8. The Lessee acknowledges the existence of, approves of and consents to the assignment by the Lessor to the Indenture Trustee of this Lease Supplement pursuant to the Indenture.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement No. 1 to be duly executed, as a document under seal, as of the day and year first above written and to be delivered in The Commonwealth of Massachusetts.

LESSOR:

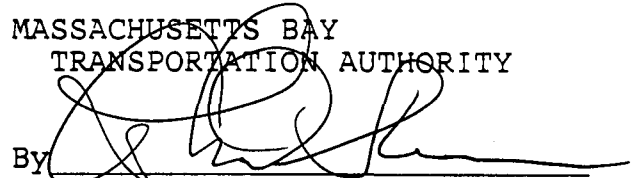
SECURITY PACIFIC EQUIPMENT
LEASING, INC.

By 

Name: Marc L. Marker
Title: Secretary

LESSEE:

MASSACHUSETTS BAY
TRANSPORTATION AUTHORITY

By 

Name: Arthur D. Shea
Title: Acting Treasurer-
Controller

Uniform Commercial Code Chattel Paper Receipt

Receipt of the original counterpart of the foregoing Lease Supplement is hereby acknowledged on this 31st day of December, 1987.

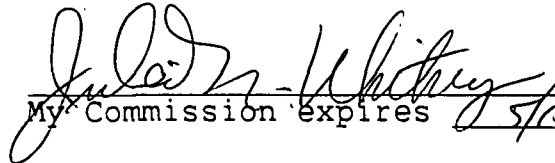
WILMINGTON TRUST COMPANY,
as Indenture Trustee,
Mortgagee

By _____

Name:
Title:

Commonwealth of Massachusetts)
) ss:
County of Suffolk)

On this 31st day of December, 1987, before me personally appeared, Marc L. Marker, to me personally known, who being by me duly sworn, says that he is the Secretary of Security Pacific Equipment Leasing, Inc., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


My Commission expires 5/13/94

Commonwealth of Massachusetts)
) ss:
County of Suffolk)

On this 31st day of December, 1987, before me personally appeared, Arthur D. Shea, to me personally known, who being by me duly sworn, says that he is the Acting Treasurer-Controller of Massachusetts Bay Transportation Authority, that said instrument was signed on behalf of said authority by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said authority.


My Commission expires 5/13/94

Attachment: Annex 1

ANNEX 1

Thirty-four commuter rail coaches manufactured by Messerschmitt-Bolkow-Blohm GmbH (the "Manufacturer") pursuant to the Purchase Agreement, dated August 27, 1985, as amended, between the Manufacturer and Massachusetts Bay Transportation Authority ("MBTA"), identified by MBTA and Manufacturer vehicle identification numbers and having the cost more particularly described as follows:

<u>MBTA Identification Number</u>	<u>Manufacturer's Identification Number</u>	<u>Unit Type</u>	<u>Cost</u>
1500	02091	CTC-3	992,000
500	02108	BTC-3	849,000
1501	02092	CTC-3	992,000
501	02109	BTC-3	849,000
1502	02093	CTC-3	992,000
502	02110	BTC-3	849,000
1503	02094	CTC-3	992,000
503	02111	BTC-3	849,000
1504	02095	CTC-3	992,000
504	02112	BTC-3	849,000
1505	02096	CTC-3	992,000
505	02113	BTC-3	849,000
1506	02097	CTC-3	992,000
506	02114	BTC-3	849,000
1507	02098	CTC-3	992,000
507	02115	BTC-3	849,000
1508	02099	CTC-3	992,000
508	02116	BTC-3	849,000
1509	02100	CTC-3	992,000
509	02117	BTC-3	849,000
1510	02101	CTC-3	992,000
510	02118	BTC-3	849,000
1511	02102	CTC-3	992,000
511	02119	BTC-3	849,000
1512	02103	CTC-3	992,000
512	02120	BTC-3	849,000
1513	02104	CTC-3	992,000
513	02121	BTC-3	849,000
1514	02105	CTC-3	992,000
514	02122	BTC-3	849,000
1515	02106	BTC-3	849,000
515	02123	CTC-3	992,000
1516	02107	BTC-3	849,000
516	02124	CTC-3	992,000
		Total	<u>\$31,297,000</u>

VS-1219/d
12/31/87